

EXHIBIT 1

Approved, SCAO	Original - Court 1st copy - Defendant	2nd copy - Plaintiff 3rd copy - Return
STATE OF MICHIGAN JUDICIAL DISTRICT JUDICIAL CIRCUIT COUNTY PROBATE	SUMMONS AND COMPLAINT	CASE NO. 16- <u>455</u> -CK
Court address 313 W. Kalamazoo Street, P.O.Box 40771, Lansing, MI 48901	JOYCE DIAZ-GRASSO, Court telephone no. 517-483-6500	
Plaintiff's name(s), address(es), and telephone no(s). City of Lansing	Defendant's name(s), address(es), and telephone no(s). Starr Indemnity & Liability Company c/o The Corporation Company 30600 Telegraph Road, Suite 2345 Bingham Farms, MI 48025-5720	
Plaintiff's attorney, bar no., address, and telephone no. Scott L. Mandel (P33453) Foster, Swift, Collins & Smith, P.C. 313 S. Washington Square Lansing, MI 48933 517-371-8185	Deanna Ray 3413 Danbury Lansing, MI 48911	

SUMMONS NOTICE TO THE DEFENDANT: In the name of the people of the State of Michigan you are notified:

1. You are being sued.
2. YOU HAVE 21 DAYS after receiving this summons to file an answer with the court and serve a copy on the other party or take other lawful action with the court (28 days if you were served by mail or you were served outside this state). (MCR 2.111[C])
3. If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued JUN - 7 2016	This summons expires SEP - 6 2018	Court clerk TRACY SMITH
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*This summons is invalid unless served on or before its expiration date. This document must be sealed by the seal of the court.

COMPLAINT Instruction: The following is information that is required to be in the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.

This is a business case in which all or part of the action includes a business or commercial dispute under MCL 600.8035.

Family Division Cases

There is no other pending or resolved action within the jurisdiction of the family division of circuit court involving the family or family members of the parties.

An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.

The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
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General Civil Cases

There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint.

A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in Ingham County Circuit Court Court.

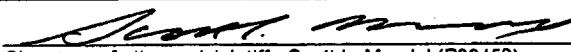
The action remains is no longer pending. The docket number and the judge assigned to the action are:

Docket no. 13-1242-NZ	Judge William E. Collette	Bar no. P12056
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VENUE

Plaintiff(s) residence (include city, township, or village) Ingham County, Michigan	Defendant(s) residence (include city, township, or village) Lansing, Michigan and Texas
Place where action arose or business conducted Lansing, Michigan	

June 6, 2016
Date


Signature of attorney/plaintiff **Scott L. Mandel (P33453)**

If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you to fully participate in court proceedings, please contact the court immediately to make arrangements.

PROOF OF SERVICE**SUMMONS AND COMPLAINT**

Case No. 16-_____ -CK

TO PROCESS SERVER: You are to serve the summons and complaint not later than 91 days from the date of filing or the date of expiration on the order for second summons. You must make and file your return with the court clerk. If you are unable to complete service you must return this original and all copies to the court clerk.

CERTIFICATE / AFFIDAVIT OF SERVICE / NONSERVICE **OFFICER CERTIFICATE**

I certify that I am a sheriff, deputy sheriff, bailiff, appointed court officer, or attorney for a party (MCR 2.104[A][2]), and that: (notarization not required)

OR **AFFIDAVIT OF PROCESS SERVER**

Being first duly sworn, I state that I am a legally competent adult who is not a party or an officer of a corporate party, and that: (notarization required)

 I served personally a copy of the summons and complaint,

I served by registered or certified mail (copy of return receipt attached) a copy of the summons and complaint, together with _____

List all documents served with the Summons and Complaint

on the defendant(s):

Defendant's name	Complete address(es) of service	Day, date, time

I have personally attempted to serve the summons and complaint, together with any attachments, on the following defendant(s) and have been unable to complete service.

Defendant's name	Complete address(es) of service	Day, date, time

I declare that the statements above are true to the best of my information, knowledge, and belief.

Service fee	Miles traveled	Mileage fee	Total fee
\$		\$	\$

Signature _____

Name (type or print) _____

Title _____

Subscribed and sworn to before me on _____, _____ County, Michigan.
Date _____

My commission expires: _____ Signature: _____ Deputy court clerk/Notary public
Date _____

Notary public, State of Michigan, County of _____

ACKNOWLEDGMENT OF SERVICE

I acknowledge that I have received service of the summons and complaint, together with _____

Attachments _____

on _____ Day, date, time _____

on behalf of _____

Signature _____

STATE OF MICHIGAN

IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

CITY OF LANSING,

Plaintiff,

v

Case No: 16-955-CK

Hon. ~~JOYCE DRAGANCHUK~~

STARR INDEMNITY & LIABILITY COMPANY,

Defendant,

and

DEANNA RAY, and all others similarly situated,

Necessary Party Defendants.

Scott L. Mandel (P33453)

Mark J. Colon (P42001)

FOSTER SWIFT COLLINS & SMITH PC

Attorneys for Plaintiff

313 S. Washington Square

Lansing, MI 48933-2193

(517) 371-8185

COMPLAINT FOR DECLARATORY JUDGMENT
AND OTHER RELIEF

A CIVIL ACTION BETWEEN THESE PARTIES OR OTHER PARTIES ARISING OUT OF THE TRANSACTION OR OCCURRENCE ALLEGED IN THE COMPLAINT HAS BEEN PREVIOUSLY FILED IN THIS COURT, WHERE IT WAS GIVEN DOCKET NUMBER 13-1242-NZ AND WAS ASSIGNED TO JUDGE COLLETTE. THE ACTION REMAINS PENDING.

JURISDICTIONAL ALLEGATIONS

Plaintiff, City of Lansing, by its attorneys, Foster, Swift, Collins & Smith, P.C., complains against defendant, Starr Indemnity & Liability Company, and necessary party defendants, Deanna Ray, and all other similarly situated, as follows:

1. Plaintiff City of Lansing ("the City") is a municipality located in Ingham County, Michigan.

2. Defendant Starr Indemnity & Liability Company ("Starr") is a Texas insurance company that transacts business in Ingham County, Michigan.

3. Necessary party defendants Deanna Ray and all others similarly situated ("Ray") reside in Ingham County, Michigan.

4. This action arises out of events occurring in Ingham County, Michigan.

5. The amount in controversy exceeds Twenty-Five Thousand and 00/100 Dollars (\$25,000), exclusive of costs and interest, and this action otherwise also seeks equitable relief.

FACTUAL ALLEGATIONS

6. On or about July 1, 2012, Starr issued its Special Excess Liability Policy For Public Entities number SISCPEL01822512 to the City ("the Starr policy"). The Starr policy period was July 1, 2012, to July 1, 2013. (A copy of the Starr policy is **Attachment "A"** to this Complaint.) The Starr policy was intended to provide excess liability coverage to the City.

7. On or about November 6, 2013, Ray filed an action against the City alleging that the City was responsible for a sewage disposal system event that damaged Ray's property. This action was assigned Ingham County Circuit Court case number 13-1242-NZ ("the underlying lawsuit").

8. In the underlying lawsuit, Ray alleges that, on June 12-13, 2013, water, sewage, dirt, and other materials flooded and settled on Ray's property.

9. In the underlying lawsuit, Ray alleges that, as a result of the City's negligence, Ray's property was flooded with water, dirt and other materials.

10. In the underlying lawsuit, Ray seeks economic and non-economic damages from the City.

11. Ray's underlying lawsuit purportedly arises from a rainstorm weather event that occurred on or about June 12-13, 2013.

12. The damages sought by Ray in the underlying lawsuit are in excess of one million dollars (\$1,000,000).

13. Pursuant to the Starr policy, the City's retained limit is one million dollars (\$1,000,000) before the Starr policy's excess coverage is triggered.

14. As a result of the underlying lawsuit brought by Ray against the City, the City tendered a request to Starr for liability coverage pursuant to the Starr policy.

15. Starr has denied liability coverage to the City against the underlying lawsuit.

LEGAL ALLEGATIONS

16. An actual controversy exists between the City and all of the defendants.

17. The Starr policy provides indemnification and defense coverage for the City against Ray's underlying lawsuit.

18. At all times pertinent, the City has paid all premiums required to keep the Starr policy in force and effect.

19. A declaration of the rights and liabilities of Starr to provide insurance coverage as a result of the claims made by Ray in the underlying lawsuit against the City is necessary.

REQUESTED RELIEF AND DAMAGES

Plaintiff City of Lansing requests the following relief and damages:

a. A declaratory judgment against Starr Indemnity & Liability Company requiring Starr to defend the City against Ray's underlying lawsuit;

- b. A declaratory judgment against Starr Indemnity & Liability Company requiring Starr to indemnify the City from any money judgment, settlement, cost, and/or expense accruing or resulting from claims made by Ray and all others similarly situated in the underlying lawsuit;
- c. A money judgment against Starr Indemnity & Liability Company for all costs, expenses, and actual attorney fees incurred by the City as a result of the commencement of the present action to adjudicate the rights and liabilities of the parties;
- d. A money judgment against Starr Indemnity & Liability Company reimbursing the City for all costs, expenses, and actual attorney fees incurred by the City in its own defense against Ray's underlying lawsuit;
- e. Any and all applicable types of interest, including interest pursuant to MCL 500.2006; and
- f. Such other relief as this Court deems just and proper.

FOSTER, SWIFT, COLLINS & SMITH, P.C.
Attorneys for Plaintiff

Date: June 6, 2016

By:



Scott L. Mandel (P33453)
Mark J. Colon (P42001)
313 S. Washington Square
Lansing, MI 48933-2193
(517) 371-8185

ATTACHMENT A



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES DECLARATIONS

POLICY NUMBER: SISCPEL01822512
RENEWAL OF: SISCPEL00006411

ITEM 1.

**NAMED
INSURED:**

CITY OF LANSING, MICHIGAN

**ADDRESS
(Street,
City, State)**

124 W. Michigan Ave., 831 City Hall
Lansing, MI, 48901

Managing Underwriter:
Karen Spiteri

In return for the payment of the premium, we agree to provide the insurance as stated in this Policy.

ITEM 2.	POLICY PERIOD														
	FROM: July 01, 2012	TO: July 01, 2013	AT 12:01A.M. STANDARD TIME AT THE ADDRESS OF THE NAMED INSURED SHOWN ABOVE.												
ITEM 3.	LIMITS OF INSURANCE														
	The Limits of Insurance, subject to all the terms and conditions of this Policy are:														
	<p>A. Limits of Insurance</p> <table> <tr> <td>1. Aggregate Limits</td> <td>Limits of Liability</td> </tr> <tr> <td>a. <u>\$15,000,000</u></td> <td>Products-Completed Operations Hazard Aggregate</td> </tr> <tr> <td>b. <u>\$15,000,000</u></td> <td>Errors and Omissions Liability Aggregate, other than wrongful acts of personal injury and advertising injury</td> </tr> <tr> <td>c. <u>\$15,000,000</u></td> <td>Employment Practice Liability Wrongful Acts Aggregate</td> </tr> <tr> <td>d. <u>\$15,000,000</u></td> <td>Employee Benefit Liability Wrongful Acts Aggregate</td> </tr> <tr> <td>2. Per Occurrence or Wrongful Act or Employee Benefit Wrongful Act Limit</td> <td>Any one occurrence, wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences, wrongful acts or employee benefit wrongful acts in excess of your retained limit.</td> </tr> </table>			1. Aggregate Limits	Limits of Liability	a. <u>\$15,000,000</u>	Products-Completed Operations Hazard Aggregate	b. <u>\$15,000,000</u>	Errors and Omissions Liability Aggregate, other than wrongful acts of personal injury and advertising injury	c. <u>\$15,000,000</u>	Employment Practice Liability Wrongful Acts Aggregate	d. <u>\$15,000,000</u>	Employee Benefit Liability Wrongful Acts Aggregate	2. Per Occurrence or Wrongful Act or Employee Benefit Wrongful Act Limit	Any one occurrence, wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences, wrongful acts or employee benefit wrongful acts in excess of your retained limit.
1. Aggregate Limits	Limits of Liability														
a. <u>\$15,000,000</u>	Products-Completed Operations Hazard Aggregate														
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d. <u>\$15,000,000</u>	Employee Benefit Liability Wrongful Acts Aggregate														
2. Per Occurrence or Wrongful Act or Employee Benefit Wrongful Act Limit	Any one occurrence, wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences, wrongful acts or employee benefit wrongful acts in excess of your retained limit.														

3. Per Employment Practice Liability Wrongful Act Limit\$15,000,000

Any one employment practice liability wrongful act or series of continuous, repeated, or related employment practice liability wrongful acts in excess of your retained limit.

B. Retained Limit"

1. <u>\$1,000,000</u>	Any one occurrence or wrongful act or employee benefit wrongful act or series of continuous, repeated, or related occurrences, wrongful acts or employee benefit wrongful acts.
2. <u>\$1,000,000</u>	Any one employment practice liability wrongful act or series of continuous, repeated, or related employment practice liability wrongful acts.

ITEM 4.**ENDORSEMENTS APPLICABLE TO THIS POLICY ON THE ORIGINAL DATE OF ISSUE:**

Title	Form Number
Special Excess Liability Policy for Public Entities Declarations	PE 1000 D 10 10
Special Excess Liability Policy for Public Entities	PE 1001 12 10
Amendment of Defense - Defense Costs Outside Limit of Liability	PE 1006 10 10
Cap on Losses From Certified Acts of Terrorism	PE 1012 10 10
Michigan Changes - Cancellation and Nonrenewal	PE 1029 MI 11 10
Michigan Changes	PE 1054 MI 11 10
Reporting Requirement for Wrongful Acts, Employment Practice Liability	PE 1100 11 10
Wrongful Acts or Employee Benefit Wrongful Acts	
Violation of Statutes that Govern Emails, Fax, Phone Calls or Other Methods of Sending Material or Information Exclusion	PE 1105 11 10
War Exclusion	PE 1109 11 10
Certified Acts of Terrorism Coverage Above Retained Limit; Cap on Losses from Certified Acts of Terrorism	PE 1140 04 11
Disclosure Pursuant to Terrorism Risk Insurance Act	PE 1141 04 11
CV Starr Excess Casualty Program Claim Reporting Guidelines	XS CLAIMS NOTICE

ITEM 5.	PREMIUM, MINIMUM PREMIUM AND MINIMUM EARNED PREMIUM			
	POLICY PREMIUM	MINIMUM PREMIUM	MINIMUM EARNED PREMIUM	
	\$268,157	N/A	\$67,039	
ITEM 6.	A. NOTICE OF CLAIM OR SUIT REPORTING LOCATION:		B. RETAINED LIMIT CLAIMS SERVICING ORGANIZATION:	
	Name: Address: Phone Number:	York Claims Services, Inc. c/o York Claims Intake 99 Cherry Hill Road Parsippany, NJ 07054 4869excessclaims@yorkrsg.com 1-866-391-9675	Name: Address: Phone Number:	

These Declarations and attached Schedule (if applicable), together with the terms and conditions, Policy form, and any endorsement(s), complete the above numbered policy.

This Policy is not valid unless countersigned by a duly authorized agent of the Company.

Producer Name and Address

WILLIS OF MICHIGAN INC

FARMINGTON HILLS, MI, 48334

Date of Issue: July 26, 2012

Countersigned By: Norm Buley



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

PREAMBLE

Various provisions in this Policy restrict coverage. Read the entire Policy carefully to determine rights, duties, and what is and is not covered.

Throughout this Policy the words **you** and **your** refer to the Named Insured(s) shown in the Declarations and any other person(s) or organization(s) qualifying as a Named Insured under this Policy. The words **we**, **us**, and **our** refer to the company providing this insurance.

The word "insured" means any person or organization qualifying as such under **SECTION II. WHO IS AN INSURED**.

SECTION I. COVERAGES

A. INSURING AGREEMENTS

1. BODILY INJURY, PROPERTY DAMAGE AND PERSONAL AND ADVERTISING INJURY LIABILITY

We will pay on your behalf those sums in excess of the **retained limit** that the insured becomes legally obligated to pay as damages by reason of liability imposed by law because of **bodily injury, property damage or personal and advertising injury** caused by an **occurrence** to which this insurance applies and that takes place during the Policy Period and does not include any **claims or suits** known or reported by you or anyone authorized by you to give or receive notice of **claims or suits** which **occurred** prior to the inception of this Policy.

2. ERRORS AND OMISSIONS LIABILITY

We will pay on your behalf those sums in excess of the **retained limit** that the insured becomes legally obligated to pay as damages to compensate others for loss arising out of your **wrongful act** to which this insurance applies and that takes place during the Policy Period and does not include any **claims or suits** arising out of or arising out of your **wrongful acts** known or reported by you or anyone authorized by you to give or receive notice of **claims or suits** prior to the inception of this Policy.

3. EMPLOYMENT PRACTICE LIABILITY

We will pay on your behalf those sums in excess of the **retained limit** that the insured becomes legally obligated to pay for damages to compensate others for loss arising out of your **employment practice liability wrongful act** to which this insurance applies and that takes place during the Policy Period and does not include any **claims or suits** arising out of your **employment practice liability wrongful acts** known or reported by you or anyone authorized by you to give or receive notice of **claims or suits** prior to the inception of this Policy.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

4. EMPLOYEE BENEFIT LIABILITY

We will pay on your behalf those sums in excess of the **retained limit** that the insured becomes legally obligated to pay as damages to compensate others for loss arising out of your **employee benefit wrongful act** in the **administration** of your **employee benefit program** to which this insurance applies and that takes place during the Policy Period and does not include any **claims or suits** arising out of your **employee benefit wrongful acts** known or reported by you or anyone authorized by you to give or receive notice of **claims or suits** prior to the inception of this Policy.

B. DEFENSE

1. We will have the right and duty to defend the insured against any **claim or suit** seeking damages for **bodily injury, property damage, personal and advertising Injury, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** to which this insurance applies when the **retained limit** has been exhausted by payment to a third party of judgments, settlements or defense costs.
2. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other **suit** seeking damages to which this insurance may apply. However, we will have no duty to defend the insured against any **suit** seeking damages for **bodily injury, property damage, personal and advertising injury, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** to which this insurance does not apply.
3. At our discretion, we may investigate any **occurrence, wrongful act, employment practice liability wrongful act or employee benefit wrongful act** that may involve this insurance and settle any resultant **claim or suit** for which we have the duty to defend. But:
 - a. The amount we will pay for damages is limited as described in **SECTION III. LIMITS OF INSURANCE**; and
 - b. Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments, settlements or defense costs.

C. DEFENSE COSTS

1. All expenses we incur in the defense of any **claim or suit** are included within and erode the Limits of Insurance, except for salaries of our employees, our office expenses, and any expenses of any claims service provider working on our behalf.
2. We will pay, with respect to any **claim** we investigate or settle, or any **suit** against an insured we defend, when the duty to defend exists:
 - a. All expenses we incur;
 - b. Costs taxed against any insured in the **suit**;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- c. The cost of appeal bonds or bonds to release attachments. We will only pay for bond amounts to which our Limits of Insurance apply. We do not have to furnish these bonds;
- d. Other reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the **claim or suit**. This includes actual loss of earnings up to \$500 a day, because of time off from work;
- e. Prejudgment interest awarded against any insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; or
- f. Interest on the amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

3. As respect to any **claim or suit** to which this insurance applies and for which we do not assume control of the settlement or defense:

- a. We will pay expenses we directly incur at our discretion; and
- b. We will not pay expenses:
 - i. Incurred by any insured; or
 - ii. Included in the **self-insured retention, underlying insurance or other insurance**.

4. If we defend an insured against a **suit** and an indemnitee of the insured is also named as a party to the **suit**, we will defend that indemnitee if all of the following conditions are met:

- a. The indemnitee agrees in writing to:
 - i. Cooperate with us in the investigation, settlement or defense of the **suit**;
 - ii. Immediately send us copies of any demands, notices, summons or legal papers received in connection with the **suit**;
 - iii. Notify any other insurer whose coverage is available to the indemnitee; and
 - iv. Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee;
- b. The indemnitee provides us with written authorization to:
 - i. Obtain records and other information related to the **suit**; and
 - ii. Conduct and control the defense of the indemnitee in such **suit**.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Defense Costs ends when we have used up the applicable Limit of Insurance in the payment of judgments, settlements or defense expenses, or the conditions set forth in **a.** and **b.** above are no longer met.

SECTION II. WHO IS AN INSURED

The following persons or organizations are insureds under this insurance:

- A. You;**
- B. Any individual who was previously or is presently elected or appointed as an official of the Named Insured, including members of its governing body or any other agencies, districts, authorities, committees, trustees, boards, commissions, or similar entity of the Named Insured, but only with respect to their duties as an official of the Named Insured;**
- C. Your employees, past or present, while acting within the course and scope of their employment, or your volunteer workers while performing duties on your behalf;**
- D. Any legally authorized purchase group(s) representing any Named Insured. The following are also insureds with respect to such purchase group(s):**
 - 1. The agencies of a municipality participating as member agencies in the purchase group(s), and any and all districts, authorities, committees, trustees, boards, commissions, or similar entity subject to the direction or control of such agencies or for which the board members act as governing body. A member agency includes any department or constituent agencies of the member agency; and**
 - 2. Any person(s) who are past or present elected or appointed officers, employees, or volunteer workers of the member agencies, whether or not compensated, while acting on behalf of the member agencies and within the scope of their employment or volunteer capacities, including acting on boards at the direction of the agencies.**
- E. Any person designated in paragraphs A. through D. above:**
 - 1. Using any auto not owned by you that is used in connection with your operations as a public entity; or**
 - 2. Using with your permission any owned auto of yours or hired auto or any person legally responsible for the use thereof,**

except:

- 1. Any person using an auto while he or she is working in a business of selling or delivering autos; or**
- 2. The owner or lessee of any hired auto. This exception does not apply if the owner or lessee is an insured designated in paragraphs A. through D. above.**



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

SECTION III. LIMITS OF INSURANCE

- A. Limits of Insurance shown in the Declarations and the rules below fix the most we will pay in excess of your **retained limit** regardless of the number of:
 - 1. Insureds, except in the event that there are multiple **municipalities** as Insureds, the Limits of Insurance shall apply separately to each **municipality** insured under this Policy;
 - 2. **Claims** made or **suits** brought; or
 - 3. Persons or organizations making **claims** or bringing **suits**.
- B. The **retained limit** stated in the Declarations applies:
 - 1. Only to damages for **occurrences**, losses for **wrongful acts**, losses for **employment practice liability wrongful acts**, or losses for **employee benefit wrongful acts** covered under this Policy;
 - 2. Separately to each **occurrence**, **wrongful act**, **employment practice liability wrongful act** or **employee benefit wrongful act** or series of continuous, repeated, or related **occurrences**, **wrongful acts**, **employment practice liability wrongful acts** or **employee benefit wrongful acts**; and
 - 3. Separately to each **municipality** insured under this Policy in the event that there are multiple **municipalities** as Insureds.
- C. We will pay any sums covered under this Policy only after your **retained limit** has been exhausted by payments for judgments, settlements or defense costs for **claims** and **suits** subject to Paragraph B. above. We will then pay damages in excess of your **retained limit** up to our Limits of Insurance.
- D. If you procure **underlying insurance** with limits of liability that are less than your **retained limit**, you shall bear the risk of the difference. If such limits are greater than your **retained limit**, this Policy is excess of the greater limits.
- E. Subject to Paragraph A. above and Paragraph G. below:
 - 1. The per **occurrence**, **wrongful act**, **employment practice liability wrongful act** or **employee benefit wrongful act** Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages, including defense costs, for:
 - a. **Bodily injury**, **property damage** or **personal and advertising injury** arising out of a single **occurrence**;
 - b. A single **wrongful act**;
 - c. A single **employee benefit wrongful act**.
 - 2. The **employment practice liability wrongful act** Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages, including defense costs, for a single **employment practice liability wrongful act**.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

3. The products – completed operations hazard aggregate Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages arising out of all **occurrences**.
4. The errors and omissions liability aggregate Limit of Insurance stated in the declarations is the most we will pay for the sum of all damages arising out of all **wrongful acts** other than any **personal and advertising injury**.
5. The **employment practice liability wrongful acts** aggregate Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages arising out of all **employment practice liability wrongful acts**.
6. The employee benefit liability **wrongful acts** aggregate Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages arising out of all **employee benefit wrongful acts**.

F. In determining the Limits of Insurance that apply only one of the following will apply to damages or losses of a claim made or suit brought:

1. All **occurrences** arising out of continuous, repeated, or related **occurrences** shall be treated as a single **occurrence** and Limits of Insurance in effect at the first **occurrence** shall apply; or
2. All **wrongful acts** arising out of continuous, repeated, or related **wrongful acts** shall be treated as a single **wrongful act** and Limits of Insurance in effect at the time of the first **wrongful act** shall apply; or
3. All **employment practice liability wrongful acts** arising out of continuous, repeated, or related **employment practice liability wrongful acts** shall be treated as a single **employment practice liability wrongful act** and Limits of Insurance in effect at the time of the first **employment practice liability wrongful act** shall apply; or
4. All **employee benefit wrongful acts** arising out of continuous, repeated, or related **employee benefit wrongful acts** shall be treated as a single **employee benefit wrongful act** and Limits of Insurance in effect at the time of the first **employee benefit wrongful act** shall apply.

G. The Limits of Insurance apply separately to each consecutive annual period. The Policy Period begins with the effective date shown in the Declarations. If the Policy Period is extended after issuance for an additional period of less than twelve (12) months, the additional period will be deemed part of the last preceding period.

SECTION IV. DEFINITIONS

A. Administration means:

1. Providing information to **employees**, including their dependents and beneficiaries, with respect to eligibility for or scope of the **employee benefit program**;
2. Handling records in connection with the **employee benefit program**; or



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

3. Effecting, continuing or terminating any **employee's** participation in any benefit included in the **employee benefit program**.

However, **administration** does not include handling of payroll deductions.

B. Advertisement means a notice that is broadcast or published to the general public or specific market segments about your goods, products or services for the purpose of attracting customers or supporters. For the purposes of this definition:

1. Notices that are published include material placed on the Internet or on similar electronic means of communication; and
2. Regarding websites, only that part of a website that is about your goods, products or services for the purposes of attracting customers or supporters is considered an **advertisement**.

C. Auto means;

1. A land motor vehicle, trailer or semi-trailer designed for travel on public roads, including any attached machinery or equipment;
2. Any other land vehicle that is subject to a compulsory or financial responsibility law or other motor vehicle insurance law where it is licensed or principally garaged;

D. Bodily Injury means bodily injury, disability, sickness, or disease sustained by a person, including care, loss of services and death resulting from physical injury to the body. **Bodily injury** includes mental anguish, mental injury, humiliation, shock or death if resulting from **bodily injury**.

E. Cafeteria plan means a plan authorized by applicable law to allow **employees** to elect to pay for certain benefits with pre-tax dollars.

F. Claim(s) means a demand for money and includes a suit.

D. Dam means any artificial barrier together with appurtenant works, which does or may impound or divert water and which is either (a) twenty five (25) feet or more in height from the natural bed of the stream or watercourse at the downstream toe of the barrier, or from the lowest elevation of the outside limit of the barrier, if it is not across a stream, channel or watercourse, to the maximum possible water storage elevation; or (b) has an impounding capacity of fifty (50) acre feet or more. Any such barrier which is not in excess of twenty five (25) feet in height regardless of storage capacity, or which has a storage capacity not in excess of fifteen (15) acre feet regardless of height, shall not be considered a **dam**.

E. Employee includes a leased worker.

F. Employee benefit program means a program providing some or all of the following benefits to **employees**, whether provided through a **cafeteria plan** or otherwise:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

1. Group life insurance, group accident or health insurance, dental, vision and hearing plans, and flexible spending accounts, provided that no one other than an **employee** may subscribe to such benefits and such benefits are made generally available to those **employees** who satisfy the plan's eligibility requirements;
2. Profit sharing plans, **employee** savings plans, **employee** stock ownership plans, pension plans and stock subscription plans, provided that no one other than an **employee** may subscribe to such benefits and such benefits are made generally available to all **employees** who are eligible under the plan for such benefits;
3. Unemployment insurance, social security benefits, workers' compensation and disability benefits;
4. Vacation plans, including buy and sell programs; leave of absence programs, including military, maternity, family, and civil leave; tuition assistance plans; transportation and health club subsidies; and
5. Any other similar benefits.

G. Employee benefit wrongful act means any actual or alleged negligent act, error, or omission in the administration of your **employee benefit program**.

H. Employment practice liability wrongful act means:

1. Any employment-related act, omission, policy, practice or representation directed at such person, occurring in whole or in part at any time, including any:
 - a. Arrest, detention or imprisonment;
 - b. Breach of any express or implied covenant;
 - c. Coercion, criticism, humiliation prosecution or retaliation;
 - d. Defamation or disparagement;
 - e. Demotion, discipline, evaluation or reassignment;
 - f. Discrimination, harassment or segregation;
 - g. Eviction;
 - h. Invasion or other violation of any right of occupancy;
 - i. Failure or refusal to advance, compensate, employ or promote;
 - j. Invasion or other violation of any right of privacy or publicity;
 - k. Termination of employment; or



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- I. Other employment related act, omission, policy, practice, representation or relationship in connection with any insured at any time.
2. **Employment practice liability wrongful act** shall mean to include loss to the spouse, child, parent, brother or sister of that person as a consequence of loss to such person to whom any of the employment-related practices described in Paragraph 1. is directed.
This coverage applies:
 - a. Whether the insured may be liable as an employer or in any other capacity; and
 - b. To any obligation to share damages with or repay someone else who must pay damages because of the injury.
- I. **First aid** means the immediate and emergency care given to an ill or injured person before regular medical aid can be obtained.
- J. **Hired auto** means an **auto** you lease, hire, rent or borrow. This does not include any **auto** owned by you, under a long term (12 months or more) lease to you, or hired, rented, or borrowed from any of your **employees**, partners, members or members of their households.
- K. **Hostile fire** means a fire that becomes uncontrollable or breaks out from where it is intended to be.
- L. **Insured contract** means:
 1. A contract for a lease of premises including but not limited to premises rented or loaned to you;
 2. A sidetrack agreement;
 3. Any easement or license agreement;
 4. An obligation, as required by ordinance;
 5. An elevator maintenance agreement;
 6. That part of any contract or agreement pertaining to your business under which you assume the tort liability of another party to pay for **bodily injury, property damage, personal and advertising injury or employment practice liability wrongful act**. Tort liability means a liability that would be imposed by law in the absence of any contract or agreement.

Paragraph 6. does not include that part of any contract or agreement:

- a. That pertains to the loan, lease or rental of an **auto** to you or any of your **employees**, if the **auto** is loaned, leased or rented with a driver;
- b. That holds a person or organization engaged in the business of transporting property by **auto** for hire harmless for your use of an **auto** over a route or territory that person or organization is authorized to serve by public authority; or



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- c. That indemnifies an architect, engineer, or surveyor, his agents or employees, for injury or damage arising out of preparing, approving or failing to prepare or approve maps, drawings, opinions, reports, surveys, change orders, designs, or specifications or giving directions or instructions, or failing to give them, if that is the primary cause of the injury or damage.
- M. **Leased worker** means a person leased to you by a labor leasing firm under an agreement between you and the labor leasing firm, to perform duties related to the conduct of your business.
- N. **Loading or unloading** means the handling of property:
 - 1. After it is moved from the place where it is accepted for movement into or onto an aircraft, watercraft or auto;
 - 2. While it is in or on an aircraft, watercraft or auto; or
 - 3. While it is being moved from an aircraft, watercraft or auto to the place where it is finally delivered;but loading or unloading does not include the movement of property by means of a mechanical device, other than a hand truck, that is not attached to the aircraft, watercraft or auto.
- O. **Municipality** means a legally incorporated or duly authorized association of inhabitants of a limited area limited to the following: city, town, county, village, township, parish, borough, hamlet, burgh, or state, and any special districts, authorities and bureaus directly related to such entities.
- P. **Occurrence** means as respects:
 - 1. **Bodily injury or property damage**, an accident, including continuous or repeated exposure to substantially the same general harmful conditions. All such exposure to substantially the same general harmful conditions will be deemed to arise out of one occurrence.
 - 2. **Personal and advertising Injury**, an offense arising out of your business that causes personal and advertising injury. All damages that arise from the same, related or repeated injurious material or act will be deemed to arise out of one occurrence, regardless of the frequency or repetition thereof, the number or kind of media used or the number of claimants.
- Q. **Owned auto** means an auto you own or under long term (12 months or longer) lease to you.
- R. **Personal and advertising injury** means injury, including consequential **bodily injury**, arising out of one or more of the following offenses:
 - 1. False arrest, detention or imprisonment;
 - 2. Malicious prosecution;
 - 3. Oral or written publication, in any manner, of material that slanders or libels a person or organization, or disparages a person or organization's goods, products, or services;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

4. The wrongful eviction from, wrongful entry into, or invasion of the right of private occupancy of a room, dwelling, or premises that a person occupies, committed by or on behalf of its owner, landlord or lessor;
5. Violation of an individual's person's right to privacy;
6. Assault and battery.
7. Oral or written publication, in any manner, of material that violates a person's right of privacy;
8. The use of another's advertising idea in your **advertisement**; or
9. Infringing upon another's copyright, trade dress or slogan in your **advertisement**.

S. **Pollutants** mean any solid, liquid, gaseous or thermal irritant or contaminant, including smoke, vapor, soot, fumes, acids, alkalis, chemicals and waste. Waste includes materials which are intended to be or have been recycled, reconditioned or reclaimed.

Pollutants does not include potable water, water distributed to the consumer intended to be potable water, agricultural water, or water furnished to commercial users, or water used for fire suppression.

T. Products-completed operations hazard:

1. Includes all **bodily injury and property damage** occurring away from the premises you own or rent and arising out of **your product or your work** except:
 - a. Products that are still in your physical possession; or
 - b. Work that has not yet been completed or abandoned. However, **your work** will be deemed completed at the earliest of the following times:
 - i. When all of the work called for in your contract has been completed;
 - ii. When all of the work to be done at the job site has been completed, if your contract called for work at more than one job site; or
 - iii. When that part of the work done at a job site has been put to its intended use by any person or organization, other than another contractor or subcontractor working on the same project.

Work that may need service, maintenance, correction, repair or replacement, but which is otherwise complete, will be treated as complete.

2. Does not include **bodily injury or property damage** arising out of:

- a. The transportation of property, unless the injury or damage arises out of a condition in or on a vehicle not owned or operated by you, and that condition was created by the **loading or unloading of that vehicle** by any insured; or



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- b. The existence of tools, uninstalled equipment or abandoned or unused materials.

U. Property damage means:

1. Physical injury to tangible property, including all resulting loss of use of that property. All such loss of use shall be deemed to occur at the time of the physical injury that caused it; or
2. Loss of use of tangible property that is not physically injured or destroyed. All such loss of use shall be deemed to occur at the time of the occurrence that caused it.

For the purposes of this Policy, "electronic data" is not tangible property.

As used in this definition, "electronic data" means information, facts or programs stored as or on, created or used on, or transmitted to or from computer software, including systems and applications software, hard or floppy disks, CD-ROMS, tapes, drives, cells, data processing devices or any other media which are used with electronically controlled equipment.

V. Public entity refers to that municipality, governmental body, department, or unit, which is a Named Insured in the Declarations.

W. Purchase group(s) means two (2) or more public entities joined together by a joint agreement or by other applicable State law in order to jointly exercise any power common to the contracting parties, including, but not limited to the power to create risk pooling and joint purchase of private insurance.

X. Retained limit refers to the amount stated in the Declarations. This amount may consist of a self-insured retention, underlying insurance, or a combination thereof. The retained limit will be the sum of all damages for:

1. Bodily injury, property damage or personal and advertising injury arising out of each such occurrence;
2. Each such wrongful act;
3. Each such employment practice liability wrongful act; or
4. Each such employee benefit wrongful act.

In determining the retained limit that applies only one of the following will apply to the damages or losses of a claim or suit brought:

1. All occurrences arising out of continuous, repeated, or related occurrences shall be treated as a single occurrence and the retained limit in effect at the first occurrence shall apply.
2. All wrongful acts arising out of continuous, repeated, or related wrongful acts shall be treated as a single wrongful act and the retained limit in effect at the time of the first wrongful act shall apply.
3. All employment practice liability wrongful acts arising out of continuous, repeated, or related employment practice liability wrongful acts shall be treated as a single employment practice



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

liability wrongful act and the retained limit in effect at the time of the first employment practice liability wrongful act shall apply.

4. All employee benefit wrongful acts arising out of continuous, repeated, or related **employee benefit wrongful acts** shall be treated as a single **employee benefit wrongful act** and the **retained limit in effect at the time of the first employee benefit wrongful act shall apply.**

The **retained limit**, with respect to a self-insured retention, shall include defense costs. The **retained limit** shall not include salaries of your **employees**, your office expenses, or expenses of any claims servicing organization that you have engaged. However, the **retained limit** shall include allocated defense costs incurred in the investigation, defense or appeal of a **claim or suit** to which this insurance applies by attorneys, paralegals, adjusters and investigators who are your **employees**.

Y. Subsidence means the movement of land or earth, including, but not limited to, sinking or settling of land, earth movement, earth expansion or contraction, landslide, slipping, falling away, caving in, eroding, earth sinking, and earth rising, shifting or tilting.

Z. Suit means a civil proceeding in which damages because of **bodily injury, property damage, personal and advertising injury, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** to which this insurance applies are alleged. **Suit** includes:

1. An arbitration proceeding in which such damages are claimed and to which the insured must submit or does submit with our consent; or
2. Any other alternative dispute resolution proceeding in which such damages are claimed and to which you submit with our consent.

AA. Underlying insurance refers to any policies listed in the Schedule of Underlying Insurance and includes:

1. Any renewal or replacement of such policies;
2. Any other insurance available to you; and
3. Any other valid and collectible risk financing mechanism provided under a **purchase group**.

BB. Underlying insurer means any insurer which provides any policy listed in the Schedule of Underlying Insurance, which may be included in this Policy, and includes any insurer which provides any renewal or replacement of such policies and any insurer which provides any other primary insurance available to you.

CC. Volunteer worker means a person who is not your **employee**, and who donates his or her work and acts at the direction of and within the scope of duties determined by you, and is not paid a fee, salary or other compensation by you or anyone else for their work performed for you.

DD. Wrongful act means:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Any actual or alleged error or misstatement, omission, negligent act, or breach of duty including misfeasance, malfeasance, and nonfeasance by you, including, but not limited to, those constituted by:

1. Any violation of antitrust statutes;
2. Any negligent ministerial act;
3. Any faulty preparation or approval of maps, plans, reports, surveys, designs, bid documents, bid specifications, other specifications, or inaccuracies due to estimates of probable costs, but only if any of these services are provided by any insured for another insured; or
4. Discrimination on any basis, including, but not limited to: race, creed, religion, ethnic background, national origin, age, handicap, sex or sexual orientation; but not intentionally committed by you or at your direction.

Wrongful act does not include **employment practice liability wrongful act** or **employee benefit wrongful act**.

SECTION V. EXCLUSIONS

The use of the words damages, loss, cost or expense does not expand any coverage under this Policy.

- A. This insurance does not apply to any obligation for which any insured may be held liable under any of the following: workers' compensation laws, unemployment compensation laws, disability benefits laws or any similar laws;
- B. This insurance does not apply to any liability for any **personal and advertising injury** arising out of a breach of contract, except an implied contract to use another's advertising idea in your **advertisement**;
- C. This insurance does not apply to **property damage** to property owned by you;
- D. This insurance does not apply to any liability for which you are obligated to pay damages by reason of assumption of liability in any contract or agreement. This exclusion does not apply to liability for damages:
 1. Assumed in a contract or agreement that is an **insured contract** provided the **bodily injury, property damage, personal and advertising injury or employment practice liability wrongful act** occurs subsequent to the execution of the contract or agreement; or
 2. Liability for damages that you would have in the absence of the contract or agreement;
- E. This insurance does not apply to:
 1. Any liability arising out of the actual, alleged or threatened discharge, dispersal, seepage, migration, release or escape of **pollutants** at any time;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

2. Any loss, cost, or expense arising out of any:
 - a. Request, demand, order, statutory or regulatory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to or assess the effects of **pollutants**; or
 - b. **Claim or suit by, or on behalf of, a governmental authority for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of pollutants.**

However, this exclusion shall not apply to the following:

1. Any liability arising out of heat, smoke, or fumes from a **hostile fire**;
2. Any liability arising out of smoke, fumes, vapor or soot produced by or originating from equipment that is used to heat, cool or dehumidify a building or equipment that is used to heat water for personal use;
3. Any liability arising out of explosion, lightning, windstorm, vandalism or malicious mischief, collapse, riot and civil commotion, flood, earthquake or collision, upset, or overturn of an auto or equipment;
4. Any liability arising out of police use of mace, oleoresin capsicum (o.c.), pepper gas or tear gas;
5. Any liability arising from weed abatement or spraying; or
6. Any liability arising out of the **products-completed operations hazard**.

All liability arising from paragraphs 1., 2., 3., 4., 5., or 6. above arising out of the same, interrelated, associated, repeated or continual discharge, dispersal, release or escape of **pollutants** shall be deemed one **occurrence, wrongful act, employment practice liability wrongful act or employee benefit wrongful act**. The commencement of such discharge, dispersal, release or escape of **pollutants** shall be recorded and reported to the Risk Manager or designated Department Head within a seventy-two (72) hour period.

Regardless of whether any **suit or claim** against you has been made, you shall give written notice to us or any authorized brokers within forty (40) calendar days of the Risk Manager's or designated Department Head's recorded entry of such discharge, dispersal, release or escape of **pollutants** which may result in liability as described in paragraphs 1., 2., 3., 4., 5. or 6. above;

F. This insurance does not apply to:

1. Any damages, loss, cost or expense arising out of the actual, alleged or threatened contaminative, pathogenic, toxic or other hazardous properties of asbestos.
2. Any damages, loss, cost or expense arising out of any:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- a. Request, demand, order or regulatory or statutory requirement that any insured or others test for, monitor, clean up, remove, contain, treat, detoxify or neutralize, or in any way respond to, or assess the effects of asbestos; or
- b. Claim or proceeding by or on behalf of a governmental authority or others for damages because of testing for, monitoring, cleaning up, removing, containing, treating, detoxifying or neutralizing, or in any way responding to, or assessing the effects of asbestos;
- G. This insurance does not apply to any liability arising out of criminal, fraudulent, dishonest or malicious acts or omissions committed by or at the direction of the insured. We may, at our sole discretion, agree to waive this exclusion in order to supply certain payments under Paragraph **C. DEFENSE COSTS** of **SECTION I. COVERAGES**. If the judgment or final adjudication is adverse to you, you will reimburse us for all defense costs.

This exclusion does not apply to liability arising from the managerial, advisory, supervisory, or controlling obligations of any insured over the actions of another insured;

- H. This insurance does not apply to any liability arising out of your **wrongful act** for gain, profit, or advantage to which you are not legally entitled. We may, at our sole discretion, agree to waive this exclusion in order to supply certain payments under Paragraph **C. DEFENSE COSTS** of **SECTION I. COVERAGES** as respect to any **claim or suit** arising from an alleged criminal, fraudulent, dishonest or malicious act or omission committed by or at the direction of you, for any **claim or suit** arising out of your **wrongful act** for gain, profit, or advantage to which you are not legally entitled until final adjudication, judgment or settlement to which we have agreed. If the judgment or final adjudication is adverse to you, you will reimburse us for all costs associated with the defense.

This exclusion does not apply to liability that any insured has with regard to the managerial, advisory, supervisory, or controlling obligations over the actions of another insured;

- I. This insurance does not apply to any liability arising out of refund of taxes, fees or assessments;
- J. This insurance does not apply to liability arising out of the operation of any hospital or other health care facilities, owned or operated by the insured. This includes, but is not limited to:
 - 1. The rendering or failure to render:
 - a. Medical, surgical, dental, x-ray or nursing service or treatment, or the furnishing of food or beverages in connection therewith;
 - b. Any service or treatment related to physical or mental health or of a professional nature; or
 - c. Any cosmetic or tonsorial service or treatment.
 - 2. The furnishing of or dispensing of drugs or medical, dental or surgical supplies or appliances.

This exclusion does not apply to any liability arising out of:

- 1. Occupational physical examinations or any services of your **employees** who are nurses that are not employed at any hospital or overnight health care facility, paramedics, emergency medical



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

technicians, speech therapists, speech pathologists, nutritionists, psychologists, audiologists, or physical therapists;

2. Employment practice liability wrongful act;
3. First aid to any person;
4. Any nursing services at a clinic that is owned or operated by the Insured where no invasive surgery of any kind is performed; or
5. Operations performed by coroners;

K. This insurance does not apply to any liability for injunctions, equitable relief, or any other form of relief other than the payment of money damages;

L. This insurance does not apply to any liability arising out of the direct condemnation of property or exercise of power of eminent domain by you or on your behalf, or inverse condemnation, or the taking of any property by you which is compensable under the Fifth or Fourteenth Amendments to the United States Constitution, or the taking of any property by you which is compensable under law of the State in which the claim or suit is made.

This exclusion does not apply to physical injury or to destruction of tangible property, including all resulting loss of use of such property for which you may be legally responsible and for which recovery is sought for claims or suits for inverse condemnation, by whatever name called, however, there shall be no coverage for reduced value of property (diminution of value), attorney fees, expert fees, severance damages, relocation costs or any other form of relief, however denominated;

M. This insurance does not apply to property damage caused by, arising out of, resulting from, attributable to or contributed to, or aggravated by subsidence;

N. This insurance does not apply to any liability:

1. With respect to which any Insured under this Policy is also an Insured under a nuclear energy liability policy issued by the Nuclear Energy Liability-Property Insurance Association, Mutual Atomic Energy Liability Underwriters, Nuclear Insurance Association of Canada or any of their successors, or would be an Insured under any such policy but for its termination upon exhaustion of its limits of liability; or
2. Resulting from the hazardous properties of nuclear material and with respect to which: (1) any person or any organization is required to maintain financial protection pursuant to the Atomic Energy Act of 1954, or any amendment or revision thereto, or any similar law; or (2) any Insured is, or had this Policy not been available would be, entitled to indemnity from the United States of America, or any agency thereof under any agreement entered into by the United States of America or any agency thereof with any person or organization; or
3. For bodily injury or nuclear property damage resulting from the hazardous properties of nuclear material if:
 - a. The nuclear material:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- i. is at any **nuclear facility** owned by the Insured or operated by the Insured or on the Insured's behalf or;
- ii. has been discharged or dispensed there from;
- b. The **nuclear material** is contained in **spent fuel or waste** at any time possessed, handled, used, processed, stored, transported or disposed of by the Insured or on the Insured's behalf; or
- c. The **bodily Injury or nuclear property damage** arises out of the furnishing by any **Insured** of services, materials, parts or equipment in connection with the planning, construction, maintenance, operation or use of any **nuclear facility**, but if such facility is located within the United States of America, its territories or possessions or Canada, this exclusion c. applies only to **nuclear property damage** to such **nuclear facility** and any property thereat;

As used in this exclusion:

- 1. **Hazardous properties** include radioactive, toxic or explosive properties;
- 2. **Nuclear material** means **source material, special nuclear material or by-product material**;
- 3. **Source material, special nuclear material and by-product material** have the meanings given to them in the Atomic Energy Act of 1954 or any amendment or revision thereto;
- 4. **Spent fuel** means any fuel element or fuel component, solid or liquid, which has been used or exposed to radiation in a **nuclear reactor**;
- 5. **Waste** means any waste material:
 - i. containing **by-product material**, and;
 - ii. resulting from the operation by any person or organization of any **nuclear facility** included within the definition of **nuclear facility** below;
- 6. **Nuclear facility** means:
 - a. Any **nuclear reactor**;
 - b. Any equipment or device designed or used for:
 - i. separating the isotopes of uranium or plutonium or;
 - ii. processing or utilizing **spent fuel** or;
 - iii. handling, processing or packaging **waste**;
 - c. Any equipment or device used for the processing, fabricating or alloying of **special**



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

nuclear material if at any time the total amount of such material in the Insured's custody at the premises where such equipment or device is located consists of or contains more than 25 grams of plutonium or uranium 233 or any combination thereof, or more than 250 grams of uranium 235; or

d. Any structure, basin, excavation, premises or place prepared or used for storage or disposal of **waste**, and

includes the site on which any of the foregoing is located, all operations conducted on such site and all premises used for such operations;

7. **Nuclear reactor** means any apparatus designed or used to sustain nuclear fission in a self-supporting chain reaction or to contain a critical mass of fissionable material;

8. **Nuclear property damage** includes all forms of radioactive contamination of property;

O. This insurance does not apply to any liability arising out of or in connection with any transit authority, transit system, or public transportation system owned, operated, or regulated by any insured.

This exclusion shall not apply to:

1. Transit or public transportation systems operating over non-fixed routes, including, but not limited to, Dial-a-Ride, senior citizen transportation, or handicapped persons transportation; or

2. Contingent liability coverage where such services are contracted;

P. This insurance does not apply to any liability arising out of or in connection with the operation of any school owned or operated by you;

Q. This insurance does not apply to any liability arising out of the ownership, maintenance, use, or entrustment to others of any aircraft, airfields, runways, hangars, buildings or other properties in connection with aviation activities. Use includes operation and loading or unloading.

However, this exclusion does not apply if the **occurrence** is in an area normally accessible to the public for the purpose of entering, leaving, or using the airport facilities.

R. This insurance does not apply to any liability arising out of the rupture, bursting, over-topping, flooding, cracking, seepage, under-seepage, accidental discharge or partial or complete structural failure of any dam;

S. This insurance does not apply to any liability arising out of, based upon or attributable to any actual or alleged violation of the Employee Retirement Income Security Act of 1974, the Fair Labor Standards Act, the National Labor Relations Act, the Worker Adjustment and Retraining Notification Act, the Consolidated Omnibus Budget Reconciliation Act, the Occupational Safety and Health Act, any rules or regulations of the foregoing promulgated thereunder, and any amendments thereto, or any similar foreign, federal, state or statutory law or common law; provided, however, that this exclusion shall not apply to any **claim** for retaliation.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

T. This insurance does not apply to any liability arising out of:

1. The purchase, sale, or offer of sale, or solicitation of any security, debt, bank deposit or financial interest or instrument;
2. Representations made by you at any time in relation to the price or value of any security debt, bank deposit, or financial interest or instrument, including, but not limited to, advice given to any person to participate in any plan included in the **employee benefit program**;
3. Any depreciation or decline in price or value of any security, debt, bank deposit or financial interest or instrument;
4. An insufficiency of funds to meet any obligation under an **employee benefit program**;
5. Any act, error, or omission by you to effect and maintain insurance or bonding for plan property or assets of an **employee benefit program**; or
6. Failure of performance or lack of performance under any contract by an insurer of benefits subject to the **employee benefit program**.

U. This insurance does not apply to any liability arising out of the failure or inability to supply or provide an adequate supply of electricity, fuel, or water arising out of the interruption of the electrical power, fuel or water supply.

V. This insurance does not apply to any obligation of any insured under any Uninsured Motorist or Underinsured Motorist law and to any sums you may be legally entitled to recover as damages from the owner or operator of an uninsured or underinsured auto because of **bodily injury and property damage** sustained by any insured, caused by an **occurrence** and arising out of the ownership, maintenance or use of such **auto**. Use includes operation and loading and unloading.

W. This insurance does not apply to any liability arising out of **bodily injury or property damage** expected or intended from the standpoint of the insured. This exclusion does not apply to **bodily injury** resulting from the use of reasonable force to protect persons or property;

X. This insurance does not apply to any liability for **personal and advertising injury**:

1. Arising out of oral or written publication of material, if done by or at the direction of the insured with knowledge of its falsity; or
2. Arising out of oral or written publication of material whose first publication took place before the beginning of the Policy Period. All **personal and advertising injury** arising out of publication of the same or similar material subsequent to the beginning of the Policy Period is also excluded;

Y. This insurance does not apply to **bodily injury** to any **employee** of the insured for the acts of another of your **employees** arising out of and in the course of their employment by the insured. This exclusion does not apply to liability assumed by you in a contract or agreement that is an **insured contract**;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- Z.** This insurance does not apply to any liability arising out of failing to procure or effect insurance contracts;

- AA.** This insurance does not apply to any liability arising out of the handling of **claims or suits** within the **retained limit**, including investigation, defense or settlement of **claims or suits**;

SECTION VI. CONDITIONS

A. Appeals

If the **underlying insurer** or insured elects not to appeal a judgment in excess of your **retained limit**, we may do so at our own expense. We will not be liable for any award or judgment that exceeds the Limits of Insurance as stated in the Declarations.

B. Arbitration

Any dispute arising from or relating to this Policy shall be submitted to arbitration. Either party may commence arbitration by making a written demand to the other.

When this demand is made, each party will select an arbitrator. The two arbitrators will select a third. If they cannot agree within thirty (30) days, either may request that selection be made by a judge of a court having jurisdiction. Each party will:

1. Pay the expenses it incurs, including the expenses of the arbitrator it appoints; and
2. Bear the expenses of the third arbitrator equally.

Unless both parties agree otherwise, arbitration will be in the county or parish in which the address shown in the Declarations is located, and the panel will be relieved of any strict rules of procedure. A decision agreed to by two of the arbitrators will be binding and final.

C. Bankruptcy or Insolvency

Bankruptcy or insolvency of the insured, the insured's estate, or the **underlying insurer** will not relieve us of our obligations under this Policy.

However, this insurance will not drop down or replace the **retained limit** in the event of bankruptcy or insolvency of the **underlying insurer** or of the insured, or assume any obligation associated with your **retained limit**. This insurance will apply as if the **retained limit** were in full effect.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

D. Coverage Territory

This Policy applies to **occurrences, wrongful acts, employment practice liability wrongful acts and employee benefit wrongful acts** anywhere in the world with the exception of any country or jurisdiction which is subject to trade or other economic sanction or embargo by the United States of America, but only if a **claim** is made and a **suit** is brought for such **occurrence, wrongful act, or employment practice liability wrongful act or employee benefit wrongful act** in the United States of America.

E. Duties in The Event of an Occurrence, Wrongful Act, Employment Practice Liability Wrongful Act or Employee Benefit Wrongful Act or Claim or Suit

1. You must see to it that we are notified as soon as practicable of an **occurrence, wrongful act, employment practice liability wrongful act, or employee benefit wrongful act** which may result in a **claim or suit** that may exceed fifty percent (50%) of your **retained limit**. To the extent possible, notice should include:
 - a. The nature and location of any injury or damage arising out of the **occurrence, wrongful act, employment practice liability wrongful act, or employee benefit wrongful act**.
2. If a **claim** is made or **suit** is brought against any insured, you must:
 - a. Immediately record the specifics of the **claim or suit** and the date received; and
 - b. Notify us as soon as practicable.
3. You and any other involved insured must:
 - a. Cooperate with the **underlying insurers** as required by their terms and conditions;
 - b. Pursue all rights of contribution or indemnity against any person or organization who may be liable to you because of **bodily injury, property damage, personal and advertising injury, wrongful acts, employment practice liability wrongful acts, or employee benefit wrongful acts** under this Policy or any **underlying insurance**. This condition, however, shall not apply to the self insured retention of the **retained limit**.
4. When we believe that a **claim or suit** may exceed the **retained limit**, we may join you and, if applicable, the **underlying insurer** in the investigation, settlement and defense of all **claims and suits** in connection with such **occurrence, wrongful act, employment practice liability wrongful act, or employee benefit wrongful act**. In such event, we and you will cooperate fully with each other.
5. Special Serious Claims Reporting Requirements

You must see to it that we receive written notice as soon as practicable of all **occurrences, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** for **claims or suits** of which you become aware which involve:



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- a. A serious case where, in which your judgment or the judgment of your defense counsel, the exposure may exceed 50% of your **retained limit**;
- b. A demand or demands totaling 50% of your **retained limit** or more;
- c. Death;
- d. Paralysis, paraplegia, quadriplegia;
- e. Loss of eye(s) or limb(s);
- f. Spinal cord or brain injury;
- g. Sensory organ or nerve injury, or neurological deficit;
- h. Serious burns;
- i. Sexual abuse or molestation;
- j. Substantial disability or disfigurement; or
- k. Loss of work time of six months or more.

6. Such notice is to be sent with all pertinent facts as respects **SECTION VI. CONDITIONS**, paragraphs **E.1. through E.5.** to the name and address listed in the Declarations, **ITEM 6.A.**

F. Legal Actions Against Us

No person or organization has a right under this Policy:

- a. To join us as a party or otherwise bring us into a **suit** asking for damages from an insured; or
- b. To sue us on this Policy unless all of its terms have been fully complied with.

A person or organization may sue us to recover on an agreed settlement or on a final judgment against an insured; but we will not be liable for damages that are not payable under the terms of this Policy or that are in excess of the applicable Limit of Insurance. An agreed settlement means a settlement and release of liability signed by us, the insured and the claimant or the claimant's legal representative.

This insurance does not give anyone the right to add us as a defendant in an action against you to determine your liability.

G. Minimum Premium And Minimum Earned Premium

Earned premium shall be subject to the Minimum Premium and the Minimum Earned Premium, as stated in the Declarations. In the event of cancellation by the insured, there will be no return of any portion of the Minimum Earned Premium.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

H. Named Insured

The first **Named Insured** shown in the Declarations:

1. Is authorized to give and receive any notice of cancellation; and
2. Is responsible for the payment of all premiums; and
3. Will be the payee for any return premiums we pay.

If the first **Named insured** fails to pay any premiums due within thirty (30) days after we give a written demand for payment to the first **Named Insured**, the **Named Insured(s)** jointly and severally agree to make any premium payments in full.

I. Other Insurance

This insurance is excess over, and shall not contribute with any other valid insurance or group coverage under a **purchase group**, or any other pooling arrangement whether primary, excess, contingent or on any other basis. This condition will not apply to insurance specifically written as excess over this Policy.

J. Our Right of Approval

We reserve the right to approve defense counsel for **claims or suits** likely to exceed your **retained limit**.

K. Policy Period

The Policy Period commences on the effective date shown in the Declarations. The period ends on the earlier of either the expiration date or the effective date of cancellation of this Policy. If you became an insured under this Policy after the effective date, the Policy Period begins on the date you became an insured.

L. Representations Or Fraud

By accepting this Policy, you agree:

1. The statements in the Declarations are accurate and complete;
2. Those statements are based upon representations you made to us;
3. We have issued this Policy in reliance upon your representations; and
4. This Policy is void in any case of fraud by you as it relates to this Policy or any **claim** under this Policy.

M. Separation of Insureds



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Except with respect to the **SECTION III. LIMITS OF INSURANCE** and any rights or duties specifically assigned in this Policy to the first Named Insured, this insurance applies:

1. As if each Named Insured were the only Named Insured; and
2. Separately to each insured against whom a **claim** is made or **suit** brought.

N. Transfer of Rights Of Recovery Against Others To Us

If the insured has rights to recover all or part of any payment we have made under this Policy, those rights are transferred to us. The insured must do nothing after loss to impair them. At our request, the insured will bring **suit** or transfer those rights to us and help us enforce them.

Recoveries will be applied in the following order:

1. First, to reimburse any interests (including those of the insured) that may have paid any amounts in excess of our liability under this Policy;
2. Then, to reimburse us for all amounts paid under this Policy; and
3. Finally, to reimburse all other interests (including those of the insured) with respect to the remaining amounts, if any.

The expenses of the recovery will be distributed in proportion to the share of each party's recovery. But, if we conduct the recovery proceedings by ourselves:

We will pay all expenses; and

If we make a recovery, we will be reimbursed in full from the recovery for our expenses before the recovery is distributed.

O. Violation of Economic or Trade Sanctions

If coverage for a **claim** or **suit** under this Policy is in violation of any United States of America economic or trade sanctions, including but not limited to, sanctions administered and enforced by the United States Treasury Department's Office of Foreign Assets Control ("OFAC"), then coverage for that **claim** or **suit** will be null and void.

P. Cancellation

For any statutorily permitted reason other than nonpayment of premium, the number of days required for notice of cancellation or nonrenewal as provided by the applicable state cancellation endorsement, is amended to read 90 Days or to the number of days shown in the applicable state endorsement, whichever is greater.

Q. Changes

This policy contains all the agreements between you and us concerning the insurance afforded. The first Named Insured shown in the Declarations is authorized to make changes in the terms of this



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

policy with our consent. This policy's terms can be amended or waived only by endorsement issued by us and made a part of this policy.

R. Examination Of Your Books And Records

We may examine and audit your books and records as they relate to this policy at any time during the policy period and up to three years afterward.

S. Right of Inspection

1. We have the right to:
 - a. Make inspections and surveys at any time;
 - b. Give you reports on the conditions we find; and
 - c. Recommend changes.
2. We are not obligated to make any inspections, surveys, reports or recommendations and any such actions we do undertake relate only to insurability and the premiums to be charged. We do not make safety inspections. We do not undertake to perform the duty of any person or organization to provide for the health or safety of workers or the public. And we do not warrant that conditions:
 - a. Are safe or healthful; or
 - b. Comply with laws, regulations, codes or standards.
3. Paragraphs 1. and 2. of this condition apply not only to us, but also to any rating, advisory, rate service or similar organization which makes insurance inspections, surveys, reports or recommendations.
4. Paragraph 2. of this condition does not apply to any inspections, surveys, reports or recommendations we may make relative to certification, under state or municipal statutes, ordinances or regulations, of boilers, pressure vessels or elevators.

This Policy is a legal contract between the Named Insured and Starr Indemnity & Liability Company (herein referenced as "the Company"). The Company agrees to provide insurance to the Named Insured, in exchange for the payment of the required premium. Coverage is subject to the terms and conditions described in this Policy.

This Policy and the coverage provided by it become effective at 12:01 A.M. at the address of the Named Insured on the Policy Effective Date shown above. It continues in effect in accordance with the provisions set forth in this Policy.

This Policy is governed by the laws of the state where it was delivered.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

AMENDMENT OF DEFENSE - DEFENSE COSTS OUTSIDE LIMIT OF LIABILITY

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

A. Paragraph B. DEFENSE, of SECTION I. COVERAGES, is replaced by the following:

1. We will have the right and duty to defend the insured against any **claim or suit seeking damages for bodily injury, property damage, personal and advertising injury, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** to which this insurance applies when the **retained limit** has been exhausted by payment to a third party of judgments or settlements.
2. When we have no duty to defend, we will have the right to defend, or to participate in the defense of, the insured against any other **suit seeking damages** to which this insurance may apply. However, we will have no duty to defend the insured against any **suit seeking damages for bodily injury, property damage, personal and advertising injury, wrongful acts, employment practice liability wrongful acts or employee benefit wrongful acts** to which this insurance does not apply.
3. At our discretion, we may investigate any **occurrence, wrongful act, employment practice liability wrongful act or employee benefit wrongful act** that may involve this insurance and settle any resultant **claim or suit** for which we have the duty to defend. But:
 - a. The amount we will pay for damages is limited as described in **SECTION III. LIMITS OF INSURANCE**; and
 - b. Our right and duty to defend ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements.

B. Paragraph C., DEFENSE COSTS, of SECTION I. COVERAGES, is replaced by the following:

1. All expenses that we incur in the defense of any **claim or suit** are in addition to and will not erode the **Limits of Insurance**.
2. We will pay, with respect to any **claim** we investigate or settle, or any **suit** against an insured we defend, when the duty to defend exists:
 - a. All expenses we incur;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- b. Costs taxed against any insured in the **suit**;
- c. The cost of appeal bonds or bonds to release attachments. We will only pay for bond amounts to which our Limits of Insurance apply. We do not have to furnish these bonds;
- d. Other reasonable expenses incurred by the insured at our request to assist us in the investigation or defense of the **claim** or **suit**. This includes actual loss of earnings up to \$500 a day, because of time off from work;
- e. Prejudgment interest awarded against any insured on that part of the judgment we pay. If we make an offer to pay the applicable Limit of Insurance, we will not pay any prejudgment interest based on that period of time after the offer; or
- f. Interest on the amount of any judgment that accrues after entry of the judgment and before we have paid, offered to pay, or deposited in court the part of the judgment that is within the applicable Limit of Insurance.

3. As respect to any **claim** or **suit** to which this insurance applies and for which we do not assume control of the settlement or defense:

- a. We will pay expenses we directly incur at our discretion; and
- b. We will not pay expenses:
 - i. Incurred by any insured; or
 - ii. Included in the self-insured retention, **underlying insurance** or other insurance.

4. If we defend an insured against a **suit** and an indemnitee of the insured is also named as a party to the **suit**, we will defend that indemnitee if all of the following conditions are met:

- a. The indemnitee agrees in writing to:
 - i. Cooperate with us in the investigation, settlement or defense of the **suit**;
 - ii. Immediately send us copies of any demands, notices, summons or legal papers received in connection with the **suit**;
 - iii. Notify any other insurer whose coverage is available to the indemnitee; and
 - iv. Cooperate with us with respect to coordinating other applicable insurance available to the indemnitee;
- b. The indemnitee provides us with written authorization to:
 - i. Obtain records and other information related to the **suit**; and
 - ii. Conduct and control the defense of the indemnitee in such **suit**.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Our obligation to defend an insured's indemnitee and to pay for attorneys' fees and necessary litigation expenses as Defense Costs ends when we have used up the applicable Limit of Insurance in the payment of judgments or settlements, or the conditions set forth in a. and b. above are no longer met.

C. SECTION III. LIMITS OF INSURANCE is replaced by the following:

A. Limits of Insurance shown in the Declarations and the rules below fix the most we will pay in excess of your **retained limit** regardless of the number of:

1. Insureds, except in the event that there are multiple **municipalities as Insureds**, the Limits of Insurance shall apply separately to each **municipality** insured under this Policy;
2. **Claims made or suits** brought; or
3. Persons or organizations making **claims** or bringing **suits**.

B. The retained limit stated in the Declarations applies:

1. Only to damages for **occurrences**, losses for **wrongful acts**, losses for **employment practice liability wrongful acts**, or losses for **employee benefit wrongful acts** covered under this Policy;
2. Separately to each **occurrence**, **wrongful act**, **employment practice liability wrongful act** or **employee benefit wrongful act** or series of continuous, repeated, or related **occurrences**, **wrongful acts**, **employment practice liability wrongful acts** or **employee benefit wrongful acts**; and
3. Separately to each **municipality** insured under this Policy in the event that there are multiple **municipalities as Insureds**.

C. We will pay any sums covered under this Policy only after your **retained limit has been exhausted by payments for judgments settlements or defense costs for **claims** and **suits** subject to Paragraph **B.** above. We will then pay damages in excess of your **retained limit** up to our **Limits of Insurance**.**

D. If you procure **underlying insurance with limits of liability that are less than your **retained limit**, you shall bear the risk of the difference. If such limits are greater than your **retained limit**, this Policy is excess of the greater limits.**

E. Subject to Paragraph **A. above and Paragraph **G.** below:**

1. The per **occurrence**, **wrongful act**, **employment practice liability wrongful act** or **employee benefit wrongful act** Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages for:
 - a. **Bodily injury, property damage or personal and advertising injury** arising out of a single occurrence;



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- b. A single **wrongful act**;
- c. A single **employee benefit wrongful act**.

2. The **employment practice liability wrongful act** Limit of Insurance stated in the Declarations is the most we will pay for the sum of all damages for a single **employment practice liability wrongful act**.

F. In determining the Limits of Insurance that apply only one of the following will apply to the damages or losses of a **claim made or suit brought**:

- 1. All **occurrences** arising out of continuous, repeated, or related **occurrences** shall be treated as a single **occurrence** and Limits of Insurance in effect at the first **occurrence** shall apply;
- 2. All **wrongful acts** arising out of continuous, repeated, or related **wrongful acts** shall be treated as a single **wrongful act** and Limits of Insurance in effect at the time of the first **wrongful act** shall apply;
- 3. All **employment practice liability wrongful acts** arising out of continuous, repeated, or related **employment practice liability wrongful acts** shall be treated as a single **employment practice liability wrongful act** and Limits of Insurance in effect at the time of the first **employment practice liability wrongful act** shall apply;
- 4. All **employee benefit wrongful acts** arising out of continuous, repeated, or related **employee benefit wrongful acts** shall be treated as a single **employee benefit wrongful act** and Limits of Insurance in effect at the time of the first **employee benefit wrongful act** shall apply.

G. The Limits of Insurance apply separately to each consecutive annual period. The Policy Period begins with the effective date shown in the Declarations. If the Policy Period is extended after issuance for an additional period of less than twelve (12) months, the additional period will be deemed part of the last preceding period.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

If aggregate insured losses attributable to terrorist acts certified under the federal Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

As used in this endorsement:

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MICHIGAN CHANGES – CANCELLATION AND NONRENEWAL

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

With respect to coverage provided by this endorsement, the provisions of the Coverage Form apply unless modified by the endorsement.

A. If you are an individual and any "covered auto" you own is of the private passenger type, the **Cancellation Common Policy Condition** is replaced by the following:

CANCELLATION

1. You may cancel the policy by mailing or delivering to us advance notice of cancellation.
2. When this policy is in effect less than 55 days and is not a renewal or continuation policy, we may cancel for any reason by mailing by certified mail or delivering to you within this period written notice of cancellation at least 20 days before the effective date of cancellation. However, if we cancel for nonpayment of premium, we will mail by regular mail or deliver notice to you at least 10 days before the effective date of cancellation.
3. When this policy is in effect 55 days or more or is a renewal or continuation policy, we may cancel only for one or more of the reasons listed below. If we cancel for nonpayment of premium, we will mail you at least 10 days notice. If we cancel for any other reason, we will mail you at least 30 days notice.
 - a. Nonpayment of premium.
 - b. The named insured or any other operator who either resides in the same household or customarily operates an "auto" has had his or her driver's license suspended during the policy period and the revocation or suspension has become final.
 - c. If during the first 55 days after the original issue date of the policy the risk is unacceptable to us.

But if this policy has been written for a period of more than a year or without a fixed expiration date, we may cancel at an anniversary of its original effective date for any reason. If we cancel, we will mail or deliver to you at least 30 days written notice.

- d. Notice of cancellation will state the effective date of cancellation.
- e. If this policy is cancelled, we will send you any pro rata premium refund due. The minimum earned premium shall not be less than the pro rata premium for the expired time or \$25.00, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

- f. If notice is mailed, proof of mailing will be sufficient proof of notice.

B. For all other policies, the Cancellation Common Policy Condition is amended as follows:

1. Paragraph 1. is replaced by the following:

The first Named Insured shown in the Declarations may cancel this policy by mailing or delivering to us or our authorized agent advance notice of cancellation.

2. Paragraph 3. is replaced by the following:

We will mail or deliver our notice to the first Named Insured's last mailing address known to us or our authorized agent.

3. Paragraph 5. is replaced by the following:

If this policy is cancelled, we will send the first Named Insured any pro rata premium refund due. The minimum earned premium shall not be less than the pro rata premium for the expired time or \$25.00, whichever is greater. The cancellation will be effective even if we have not made or offered a refund.

C. Condition 10. When We Do Not Renew of Section IV – Conditions is replaced by the following:

WHEN WE DO NOT RENEW

1. If we decide not to renew this policy, we will mail or deliver to the first Named Insured's last mailing address known to us or our authorized agent written notice of the nonrenewal not less than 30 days before the expiration date.
2. If we offer to renew or continue and you do not accept, this policy will terminate at the end of the current policy period. Failure to pay the required renewal or continuation premium when due shall mean that you have not accepted our offer.
3. If we fail to mail or deliver proper notice of nonrenewal and you obtain other insurance this policy will end on the effective date of that insurance.
4. If notice is mailed, proof of mailing is sufficient proof of notice.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

MICHIGAN CHANGES

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

A. With respect to autos to which this insurance applies subject to Michigan no-fault law, the following exclusion is added to **SECTION V. EXCLUSIONS**:

This insurance does not apply to:

Property damage to a motor vehicle caused by an occurrence in Michigan.

B. Sub-paragraph 2. e. of part C. **DEFENSE COSTS UNDER SECTION I. COVERAGES** is replaced by the following:

d. Prejudgment interest awarded against the insured on that part of the judgment we pay.

C. The following are added to Paragraph E. **Duties in the Event of an Occurrence, Wrongful Act, Employment Practice Liability Wrongful Act, Employee Benefit Wrongful Act or Claim or Suit under SECTION VI. CONDITIONS**

1. Notice given by or on behalf of the insured to our authorized agent, with particulars sufficient to identify the insured, shall be considered notice to us.

2. Failure to give any notice required by this Condition within the time period specified shall not invalidate any claim made by you if it shall be shown not to have been reasonably possible to give notice within the prescribed time period and that notice was given as soon as was reasonably possible.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

REPORTING REQUIREMENT FOR WRONGFUL ACTS, EMPLOYMENT PRACTICE LIABILITY WRONGFUL ACTS OR EMPLOYEE BENEFIT WRONGFUL ACTS

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SCHEDULE

Wrongful Acts Time Period:

For any wrongful act, employment practice liability wrongful act,
or employee benefit wrongful act 07/01/1999 to 07/01/2011

For wrongful acts only: _____ to _____

For employment practice liability wrongful acts only: _____ to _____

For employee benefit wrongful acts only: _____ to _____

Report Due Date: 07/01/2013

The following is added to paragraph A.
INSURING AGREEMENTS of SECTION I.
COVERAGES:

This insurance applies to any **wrongful act, employment practice liability wrongful act, or employee benefit wrongful act** that took place within the Wrongful Acts Time Period shown in the Schedule of this endorsement only if the **claim or suit** is reported to us by the Report Due Date shown in the Schedule of this endorsement. However, the insurance provided by this endorsement will not apply to such **wrongful act, employment practice liability**

wrongful act, or employee benefit wrongful act if:

1. The **claim or suit** had been reported to or otherwise known by you prior to inception of this Policy;
2. The **claim or suit** has been reported under any policy whose limits of insurance have been exhausted;
3. The **claim or suit** is within and subject to any deductible or self-insured retention under another policy; or



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

4. Coverage under another policy is impaired by the other carrier's bankruptcy or insolvency.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

**VIOLATION OF STATUTES THAT GOVERN
E-MAILS, FAX, PHONE CALLS OR OTHER METHODS OF
SENDING MATERIAL OR INFORMATION EXCLUSION**

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

The following exclusion is added to **SECTION V. EXCLUSIONS:**

This insurance does not apply to:

DISTRIBUTION OF MATERIAL IN VIOLATION OF STATUTES

Any liability arising directly or indirectly out of any action or omission that violates or is alleged to violate:

- a. The Telephone Consumer Protection Act (TCPA), including any amendment of or addition to such law; or
- b. The CAN-SPAM Act of 2003, including any amendment of or addition to such law; or
- c. Any statute, ordinance or regulation, other than the TCPA or CAN-SPAM Act of 2003, that prohibits or limits the sending, transmitting, communicating or distribution of material or information.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

WAR EXCLUSION

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY FOR PUBLIC ENTITIES

The following exclusion is added to **SECTION V.
EXCLUSIONS**

This insurance does not apply to liability; however caused, arising, directly or indirectly, out of:

a. War, including undeclared or civil war;

- b. Warlike action by a military force, including action in hindering or defending against an actual or expected attack, by any government, sovereign or other authority using military personnel or other agents; or
- c. Insurrection, rebellion, revolution, usurped power, or action taken by governmental authority in hindering or defending against any of these.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

Dallas, TX 1-866-519-2522

THIS ENDORSEMENT CHANGES THE POLICY. PLEASE READ IT CAREFULLY.

CERTIFIED ACTS OF TERRORISM COVERAGE ABOVE RETAINED LIMIT; CAP ON LOSSES FROM CERTIFIED ACTS OF TERRORISM

This endorsement modifies insurance provided under the following:

SPECIAL EXCESS LIABILITY POLICY FOR PUBLIC ENTITIES

SCHEDULE

Certified Acts Of Terrorism Re-	\$ 1000000
Information required to complete this Schedule, if not shown above, will be shown in the Declarations.	

A. Coverage provided by this insurance for liability arising out of a **certified act of terrorism** applies in excess of the Certified Acts Of Terrorism Retained Limit described in paragraph B. below.

B. The following is added to **SECTION III. LIMITS OF INSURANCE**

The Certified Acts Of Terrorism Retained Limit refers to the amount stated in the Schedule of this endorsement. This amount may consist of a self-insured retention, **underlying insurance** or a combination thereof.

The Certified Acts Of Terrorism Retained Limit applies:

1. Only to liability arising out of a **certified act of terrorism** covered under this policy; and
2. Separately to each occurrence.

We will pay any sums covered under this insurance only after your Certified Acts Of Terrorism Retained Limit has been exhausted by means of payments for judgments or settlements. Defense expenses shall not erode the Certified Acts Of Terrorism Retained Limit.

C. As used in this endorsement

Certified act of terrorism means an act that is certified by the Secretary of the Treasury, in concurrence with the Secretary of State and the Attorney General of the United States, to be an act of terrorism pursuant to the federal Terrorism Risk Insurance Act. The criteria contained in the Terrorism Risk Insurance Act for a **certified act of terrorism** include the following:

1. The act resulted in insured losses in excess of \$5 million in the aggregate, attributable to all types of insurance subject to the Terrorism Risk Insurance Act; and
2. The act is a violent act or an act that is dangerous to human life, property or infrastructure and is committed by an individual or individuals as part of an effort to coerce the civilian population of the United States or to influence the policy or affect the conduct of the United States Government by coercion.



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Dallas, TX 1-866-519-2522

D. With respect to all **certified acts of terrorism**, we will not pay any amounts for which we are not responsible under the terms of the federal Terrorism Risk Insurance Act (including subsequent acts of Congress pursuant to the Act) due to the application of any clause which results in a cap on our liability for payments for terrorism losses.

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



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Disclosure Pursuant to Terrorism Risk Insurance Act

Policy Number: SISCOPEL01822512 **Effective Date:** July 01, 2012 at 12:01 A.M.
Named Insured: CITY OF LANSING, MICHIGAN

SCHEDULE

Terrorism Premium (Certified Acts) \$ \$5,257

This premium is the total Certified Acts premium attributable to the following Coverage Part(s), Coverage Form(s) and/or Policy(s):

All Coverages

Additional information, if any, concerning the terrorism premium:

All coverages

Information required to complete this Schedule, if not shown above, will be shown in the Policy Declarations.

A. Disclosure Of Premium

In accordance with the federal Terrorism Risk Insurance Act, we are required to provide you with a notice disclosing the portion of your premium, if any, attributable to coverage for terrorist acts certified under the Terrorism Risk Insurance Act. The portion of your premium attributable to such coverage is shown in the Schedule of this endorsement or in the Policy Declarations.

B. Disclosure Of Federal Participation In Payment Of Terrorism Losses

The United States Government, Department of the Treasury, will pay a share of terrorism losses insured under the federal program. The federal share equals 85% of that portion of the amount of such insured losses that exceeds the applicable insurer retention. However, if aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31), the Treasury shall not make any payment for any portion of the amount of such losses that exceeds \$100 billion.



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C. Cap On Insurer Participation In Payment Of Terrorism Losses

If aggregate insured losses attributable to terrorist acts certified under the Terrorism Risk Insurance Act exceed \$100 billion in a Program Year (January 1 through December 31) and we have met our insurer deductible under the Terrorism Risk Insurance Act, we shall not be liable for the payment of any portion of the amount of such losses that exceeds \$100 billion, and in such case insured losses up to that amount are subject to pro rata allocation in accordance with procedures established by the Secretary of the Treasury.

All other terms and conditions of this Policy remain unchanged.



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Dallas, TX 1-866-519-2522

Signed for STARR INDEMNITY & LIABILITY COMPANY

Charles H. Dangelo, President

Honora M. Keane, General Counsel



Starr Indemnity & Liability Company

C.V. Starr & Company (California) Excess Casualty Insurance Program

CLAIM REPORTING PROCEDURES

All Losses on Starr Indemnity & Liability Company Excess Liability Policies and Special Excess Liability Policy for Public Entities issued by C.V. Starr & Company (California) must be reported directly to York Claims Services at York's Claims Intake Center:

1. Email:	4869excessclaims@yorkrsg.com (Preferred Method)
2. Fax:	(973) 404-1040
3. Telephone:	1-866-391-9675 (YORK)
4. Address:	York Claims Services / Claims Intake 99 Cherry Hill Road Parsippany, NJ 07054

The Following (2) Items Must Always Be Provided

1. C.V. Starr's York Client Code.....**4869**
2. Complete 15 Digit Policy Number, including below prefix
Starr Indemnity and Liability Company.....SISC
Starr Surplus Lines Insurance Company.....SLSC

Upon York's receipt of a first notice of loss their Claims Intake Center will assign it to an appropriate York branch office. The assigned branch office will then send an acknowledgement email to the reporting party informing them of York's assigned claim number / assigned adjuster and contact information.

For Questions / Concerns Please Contact:

Sonia Acevedo, Manager, Claims Intake Center Tel: (973) 404-1134
Sonia.Acevedo@yorkrsg.com

Maria Alford, Director of Client Relations Tel: (845) 831-3175
Maria.Alford@yorkrsg.com Cell: (973) 289-8586

Paul Lettieri, Claim Director, Starr Adjustment Tel: (646) 227-6742
Paul.Lettieri@starrcompanies.com Cell: (646) 217-1258